

# **Access to higher education in Finland: emerging processes of hidden privatization**

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## **ABSTRACT**

This article focuses on the hidden processes of privatization in access to higher education in Finland, and the role of economic capital in the admission process. The relevance of this analysis derives from the discourse around educational equity in Finland and the emerging contradiction of tuition-free higher education that still requires economic resources from the applicant prior to admission, but is rarely discussed in terms of economic inequalities leading to educational reproduction. These aspects are investigated through qualitative content analysis of interviews with central stakeholders (n = 17) operating in different areas of the field of university-admission. The results show how the privatization of public education (exogenous) manifests as shadow education alongside the public university system. There is thus a need to re-evaluate the forms and consequences of privatization in and of public education in Finnish HE.

## **Introduction**

Higher education (HE) is a field that provides positional goods (Hirsch, 1976) in the form of diplomas for individuals who manage to enter it. In many cases the access is competitive in one way or another, as there are more applicants than study places in the desirable institutions. The relationships among different actors and institutions in the field constitute the landscape of choice (Bowe et al., 1994) where prospective students should exercise their HE choices. In this article, the question of access to higher education in Finland is discussed and light is shed on the various actors, both public and private, participating in the process of university admission. The analysis unravels the mutual relationships of different institutional and individual actors constituting the field, and to assess the extent to which private economic capital is involved in the process of accessing tuition-free higher education. Given the intrinsic paradox of the egalitarian ideology behind the Finnish education system (Antikainen, 2006; see also Ahonen, 2003; Kosunen & Hansen, 2018; Seppänen et al., 2015; Simola et al., 2017), and the relatively elitist nature of any HE system, it would seem highly relevant to investigate the emergence of economic inequalities in access to tuition-free higher education in Finland.

The Finnish higher-education system officially comprises traditional universities and universities of applied sciences (Ministry of Education and Culture, 2016)<sup>1</sup>, which are tuition-free to students who come from EU/EEA countries. The selection of students is based mainly on entrance examinations, which are organised by the respective universities and therefore institution- and discipline-centred.<sup>2</sup> During the 2010s a small range of private international business universities entered the Finnish HE-market. These universities operate physically in Finland even if they are governed from abroad, and collect tuition fees from all their students. Educational import from neighbouring countries has stepped in. Internationalisation in HE is a more widespread phenomenon than is usually claimed and money seems to play a role in the process of accessing it, even in Finland. However, the question of private economic capital is not limited to the possibility of locally accessing private tuition-based institutions, but seems to feature more discretely in the form of private tutoring in preparatory courses prior to the competitive university entrance examinations (see Kosunen & Haltia, *in press*). This could be interpreted as a form of private education, which Smyth (2009) calls ‘shadow education’. It functions alongside the public education system, the aim being to enhance the position of clients by facilitating access to HE, for example, while collecting tuition fees.

The research task in this study is to define the different players (public and private) and their mutual relations, analyse the level of hidden privatization in the HE-system, and link these findings to the existing notions of socio-economic inequalities (see e.g. Nori, 2011) in the field. The research questions to answer are as follows:

1. Who are the private actors and what are their relations in the field of university admission in Finland? and
2. Is hidden privatization emerging, and if so, how is it constructed in Finnish field of HE? Finally, this paper seeks to discuss into which extent these processes may contribute to economic inequalities between candidates in the university admission in a tuition-free system of Finnish higher education. The focus is on analysing the role of private actors in the allegedly ‘public’ field and exploring the ways in which privatization may operate (endogenous and exogenous privatization; Ball & Youdell, 2008). Taking this view- point on the Finnish education system is the novelty of this study. The analytical approach on defining the actual actors in the

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<sup>1</sup> In this article the Finnish HEIs under the governance of the Ministry of Education and Culture are described as public, meaning that they do not collect tuition fees (from anyone before 2016) and that they receive about 64% of their funding directly from the government. The concept ‘public’ could still be criticised given that under the 2010 Universities Act universities have officially become independent corporations under public law or foundations under private law (Foundations Act). (Ministry of Education and Culture, 2016.) However, in order to make a clear distinction between tuition-free HEIs (which were public universities until 2010) and tuition-based, privately owned and governed institutions, the partly misleading division into public and private universities is introduced.

<sup>2</sup> From here on the article focuses on selective university admission, student selection into Bachelor’s-level programmes in universities of applied sciences being beyond its scope mainly due to the small relevance of preparatory courses in their admission. In 2016 only 6,8% of the accepted UAS candidates participated in a preparatory course as a part of their admission, whereas the equivalent number in our survey-based national-level study into universities was 28,6% (Kosunen et al. 2017).

field, both public and private, and analysing their relations, in which much power over the functioning of the whole system is invested, may give a fresh angle on examining the persisting inequalities in the Finnish HE-system. The relationships eventually constitute the field and framework within which students compete for study places, as well as the operative space for competitive institutional actors. The analysis leans on Bourdieu's (1984) theory of actors' positions in the field and the transformability of forms of capital, and in this case especially on the role of economic capital. Economic capital is 'immediately and directly convertible into money and may be institutionalized in the form of propriety rights' (Bourdieu, 1986, p. 47). Bourdieu and Wacquant (1992) describe how the field consists of objective, historical relations between positions embedded in certain forms of power (or capital) (Bourdieu & Wacquant, 1992, p. 16).

The logic of action in a field structures the access of its actors to the available profits, here meaning study places for HE applicants. According to Bourdieu (1984), individuals are subject to the forces structuring the field. He indicates (Bourdieu, 1986, p. 55) that the more the surrounding structure prevents the straight transmission of different forms of capital, such as economic capital, the more emphasis is put on the 'clandestine circulation of capital', meaning the ways in which cultural capital (such as educational qualifications) becomes a key element in the reproduction of the social structure. However, when access to educational qualifications is intertwined with existing economic inequalities, as one might hypothesize, the patterns of social reproduction even in a tuition-free educational system become more complex.

### **Conflict between public institutions and hidden privatization in HE**

Higher education could be described as a worldwide arrangement in which global flows of ideas and finance, socio-historically constructed national HE systems and operative institutions on the local, national and global level are intertwined (Marginson, 2006). The operative space of the higher education institution (HEI) has diversified, and students and finance flow between institutions not only nationally but also globally. Marginson (2006, p. 5) identifies two directions in the positional approach to competition in HE: universities competing over 'preferred customers', and applicants competing over 'preferred institutions'.

According to Wakeling and Savage (2015, p. 292), the 'power of educational qualifications to convey social advantage is unquestioned', and the role of higher education in generating advantage in terms of status, occupational entry and earnings is acknowledged. The desire to gain access to higher education relates to an individual's wish to accumulate 'positional goods' (Hirsch, 1976), which is linked to social prestige and

economic capital and will further enhance social status and opportunities for some but not for others (Marginson, 2006). Employers could use HE credentials as a screening tool, for example, to identify potential employees who have been through an accredited education system (Hirsch, 1976, p. 47). In such cases, the value of HE would be measured at least partly in relation to the employability of the applicant after achieving a certain level of education. This rationale remains in the background of the discussion on the rivalry over study places in selective universities.

Simon Marginson (2006) describes how the tight selection of students in some institutions promotes high levels of competition among applicants, which again produces uncertainty in the process of trying to access higher education. The HE choice comprises the choice of the institution, the length and mode of study, and the study programme, and also involves the calculation of lifetime returns on investment (Williams, 1997). Hence, educational consumerism (Naidoo & Jamieson, 2005) in HE choice is a complex combination of balancing the present with the future, especially in public education given that preparation for the entrance examination in the admission phase requires time and money, even if the study programme is tuition-fee-free. According to Stephen J. Ball (1993), the implementation of market reforms in education reflects a strategy based on the reproduction of relative social-class advantages and disadvantages. Reproduction strategies (Bourdieu, 1984, pp. 119–125) refer to the practices of individuals aiming to maintain their position in the class structure, either consciously or unconsciously. Focusing on the functioning of the field of higher education therefore facilitates analysis of the ways in which advantage and disadvantage may be reproduced: the socially biased student population in Finnish universities is evidence of this (see Nori, 2011), even if the differences are relatively subtle in relation to other countries.

Davies, Williams, and Webb (1997) identify political, economic, academic, institutional and even personal aspects and contexts in the question of access to higher education, indicating that ‘the power to determine events is not static or unique to particular groups but is located into the structural advantage of some key players’ (Davies et al., 1997, p. 2). The relations of these key players in each field should therefore be analysed in more depth to capture the embedded patterns of power and exchange. Välimaa and Nokkala (2014) identify a need to investigate the relationships between different actors in the HE field in a relevant setting that takes into account the roles of time, space and context. This paper attempts to contribute to this discussion by analysing the role of private economic capital in the context of Finnish HE.

The pivotal mediator in the whole process of producing competition between actors and thereby causing uncertainty is the system of selective admission to public universities based on examination results, which

gives access to a higher-education diploma. It also opens up a space and constructs a need for private tutoring. The fields of higher education that mainly include tuition-free institutions are fairly rare and in the case of private tutoring in the admission, the Greek admission policies seem to come close to the Finnish one. A university degree is required for employment in the public sector in the tuition-free HE system in Greece, but access depends on success in highly competitive entrance examinations. Applicants attend preparatory schools charging high tuition fees before taking the entrance examination, and those who do not pass it have to pay even more to study in universities abroad (Psacharopoulos & Papakonstantinou, 2005). Hence, even if the dis- course in Greece refers to tuition-free public HE, it simultaneously reflects various essential features of privatization. Researchers investigating these relationships in the HE field should also recognize the role of the private sector to ensure a full description of the embedded structures of different actors in this ever-expanding area.

One of the seminal academic works focusing on processes of privatization in public education is Ball and Youdell (2008)'s report 'Hidden Privatisation in Public Education'. The authors distinguish between privatisation in (endogenous privatization) and the privatization of education (exogenous privatization), describing how hidden processes of privatization in public education influence how people think about education, and also changes the language used when it is discussed. There is a strong link here to the debate on educational consumerisms (Naidoo & Jamieson, 2005). Endogenous privatization in public education comprises the techniques, ideas and practices that are brought in from the private sector, whereas exogenous privatization gives access to private-sector participants (Ball & Youdell, 2008, p. 14). Dýrfjörð and Magnúsdóttir (2016) analysed the processes of privatization in early-childhood education in Iceland, for example, and showed the vulnerability of the public system in a Nordic country to neoliberal changes that emerge gradually in small steps, but consistently change not only the actors in the field, but also the way education is discussed.

In summary, the central concepts of this study are hidden privatization of education (endogenous and exogenous), and economic capital, which are linked to the larger context of emerging social inequalities in admission to higher education (for more on the topic in Nordic countries see Isopahkala-Bouret et al., 2018).

## **The context**

The Finnish HE system was one of the first to change from elitism to mass higher education, largely funded and governed by the state. Tuition was free for everyone until the latest reforms introducing fees for certain

international students. There were more than a million highly educated inhabitants (in a population of 5.4 million) in Finland in 2012, which could be attributed to the constant expansion in the numbers of students accessing higher education in the 1970s–1990s. This increasing trend has stopped in the twenty-first century (Ministry of Education and Culture, 2014).

The field of higher education governed nationally in Finland comprises universities (14) and universities of applied sciences (23) across country. Everyone who has successfully finished secondary education with a diploma, either general academic or vocational, is eligible of applying to any of them. In addition to these, there are some international private universities that operate in the territory of Finland but are governed from abroad, most often from the Baltic countries. Access to public higher education is still generally through discipline-based and university-based entrance examinations, which produce competition between applicants. In most cases, applicants have to take an entrance examination and are admitted based only on the results, although in some cases their success in the matriculation examination at the end of secondary education is also taken into account. There are a few exceptions when admission is based only on the secondary-education diploma, but this is restricted to very few less selective disciplines. The demand for study places exceeds the supply in most competitive disciplines, and in most disciplines in all of the country's 14 public universities. The annual national intake varies nationally across disciplines and institutions. For example, 2016 admission rates (first-year students versus all applicants to that discipline in that university) in different universities for psychology varied between 2.0% and 7.8% (depending on the university), law between 10.1% and 17.4%, and medicine between 8.2% and 12.8% (Education Statistics Finland, 2016). Most universities enrol students on both the under-graduate and graduate level following success in the entrance examination, usually making them eligible to take both degrees at the same university (the only exceptions being early-childhood education and pharmacy). The competition for study places in the public universities is harsh, and there are several mediators and guidance devices to facilitate access such as student counselling and preparatory courses.

According to an analysis of the dynamics of HE politics in Finland (Kauko, 2011, p. 126), Finnish HE has adopted a positive attitude towards internationalization, which is based on changes in the institutional structure of the field: state-level actors are promoting international interaction, and the international influence is considered valuable rather than questionable. The internationalization of Finnish education is usually discussed with reference to the mobility of international academic staff (Hoffman, 2007), as well as to research (Nokkala, 2007). Mention is also made of foreign students accessing Finnish universities and international programmes (Saarinen, 2012; from a linguistic perspective; Kauko & Medvedeva, 2016; from a financial perspective), student mobility from Finland (Garam, 2003), and educational export from Finland

(Schatz, 2015). Educational import from other countries to Finland is rarely discussed. Williams (1997) stated long ago that consumerist language had entered the field of HE in many contexts: there is some recent evidence of this in the current Finnish context with the appearance of private actors in the field (see Kosunen & Haltia, in press).

What is rarely discussed in the Finnish discourse of access to higher education is the role of economic capital in achieving success in the admission process from an applicant's point of view: it may entail paying tuition fees, even in campuses located in the capital area and governed from abroad, or paying for tutoring and preparatory courses when preparing for the entrance tests. The prizes vary from 0 to more than 6500 euros per course and are mainly concentrated on the most competitive academic disciplines, such as medicine, law and economics (Kosunen, Haltia, & Jokila, 2015). The phenomenon of participating in private tutoring concerns all universities in the country, but the level of competitiveness in the entrance examination varies: University of Helsinki has traditionally been the one most difficult to enter. The theoretical debate and empirical evidence on the role of money in the process of producing a socially biased higher-education student population of youngsters from highly educated and urban families (see Nori, 2011) would require thorough investigation, which this research project aims to provide as the question of inequalities in access to higher education in vast<sup>3</sup>. One could hypothesize that private money plays a vital but subtle role in the process of accessing Finnish HE (for some evidence see Kosunen, Ahtiainen, & Töyrylä, 2018), contradicting what has been claimed in the hegemonic discourse of public and tuition-fee- free education (see also Psacharopoulos & Papakonstantinou, 2005 for Greece). This is also in strong conflict with the old Nordic idea of providing all applicants with equal access to education regardless of their social background.

### **The research task, data and methods**

The objective in this article is to shed light on the mutual relations of the different actors, public and private, involved in the process of university admission in Finland. The role of money is scrutinized more closely. In terms of reputation, the equal HE system is seen in a slightly different light in investigations focusing on the mutual relations among actors and the markets involved in the admission process that profit private enterprises. The larger thematic background question posed in this paper is whether access to higher education

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<sup>3</sup> In this article only the viewing angle of private actors entering the field and the change in the discourse around privatization are discussed. The material gathered for this article does not unfortunately allow us to elaborate further on more general questions concerning emerging inequalities.

is really an equal opportunity for all, or whether the logic of the field drifts strongly towards social and economic selection even before the admission process starts. Previous studies have identified certain processes of social reproduction in Finnish HE based on the social background of admitted students (see Nori, 2011), as has been found in other Nordic countries (e.g. Thomsen, 2012). The mechanisms and mediators through which this happens require further investigation.

The study data consists of thematic interviews ( $n = 17$ , Table 1), conducted during the autumn of 2015 with different actors in the field of or with access to HE in Finland.<sup>4</sup> The interviews were conducted in Finnish. The material is based on snowball sampling: the first interviews were conducted with providers of preparatory courses, and according to the content and relations mentioned the sample expanded to include state-level actors, public and private universities, unions and the book-publishing industry. This of course results in certain limitations of the data, and other ways of finding the interviewees may have resulted in somewhat different group of people. However, the data comprises several preparatory course companies as well as several universities in different cities across country, and thereby is not limited solely to the capital area, for example. The interviewees from the universities were people strongly involved in defining the policies of conducting selection within their institution. The interviewees included seven men and 10 women. Geographically, the data cover universities and preparatory-course providers operating across the country. It is also cross-discipline, focusing on several of the major disciplines (e.g. the most competitive status-disciplines of medicine, law and economics) in various Finnish universities that are also involved in the preparatory-course business (not all disciplines are). The interviews lasted approximately 1 h each (from 25 min to 1.5 h).

**Table 1. The interviewees (acronyms)**

Preparatory-course companies (PC)	5
Book authors and publishers (BP)	2
Finnish Universities (UNIV)	3
Private Universities operating in Finland (PRU)	2
State-level actors (STA)	3
Unions (U)	2
<i>Total</i>	17

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<sup>4</sup> This study was conducted as part of a larger study *Privatisation and Access to Higher Education* (PAHE).



The thematic interviews were subjected to theory-informed qualitative content analysis (see Tuomi & Sarajärvi, 2013), where all discourse concerning access to higher education was coded phrase by phrase. In the first analytical round, all the transcribed material was read, analysed and coded into content categories (such as entrance examination, preparation, applicant, lawyers and savings) in line with the research task. Nine different influential actors were discovered in terms of the admission- process: the applicants, public universities (with acronym UNIV), private universities (PRI), preparatory course companies (PC), lawyers, book publishing industry (BP), high schools, different unions (U), and state-level actors governing the system (STA). For example, families of the candidates were mentioned in the interviews, but they were not constructing an active and influential part in the public HE- market as such, and thereby were analytically treated as a part of the applicants' background, not as individual actors aside from the applicants. The other coded features concerning the admission-process were mainly linked to the construction, preparation, and participation in the entrance examinations. The relations between the different actors were always linked to the entrance examinations and their implementation and were coded individually (and shown in Chapter 5 and Figure 1). Expressions concerning different forms of privatization were coded with extra care. In the second analytical round, these categories were combined into larger theory- informed thematic categories applying the theoretical angle used in this study (such as economic capital, exogenous and endogenous privatization, consumer- ism, and equity; Ball & Youdell, 2008; Bourdieu, 1985), in order to answer the research questions. The themes consisted of the actors involved in the field, their mutual relations (who is able to influence whom and by which means), economic capital involved in the process of preparing for the entrance examination, the governance of education related to the admission, and the concrete things the applicants are presumed to be doing during the different phases of the admission. Constructing these themes from the raw categories from the first-round coding enabled the deeper analysis of economic capital involved in the process of university admission. The material consisted also of questions concerning the operation of private universities, for example, and these discussions were coded but later left out of this analysis.

### **Private actors in the field of university- admission in Finland: emergence of exogenous and endogenous privatization**

The private actors and enterprises operating in the field of access to higher education in Finland (the forms of exogenous privatisation: Ball & Youdell, 2008), and their mutual relations (also with public actors in private-public partnerships: Ball & Youdell, 2008) are investigated. The analysis concentrated on the private actors mediating access to Finnish public universities. The logic of action and the space for a private tutoring market is based on the presumed and constructed need of applicants (see also Kosunen & Haltia, *in press*) to reduce

*uncertainty* within the space of high competition over study places. A shadow education market has been constructed to meet ‘the need’ for private tutoring when preparing applicants for the entrance examination. However, the course providers claim they are providing support, not a guarantee of success in the examination:

*We don't say it straight, or we don't give such a message that you have to take a prep course, or that everyone who comes to our courses gets admitted. We are being realistic there. Every time we do a course we start by saying that the participants themselves do the job and the prep course in itself is not enough if you want to get to study [in a university].* PC3

The preparatory-course companies claim that their functioning is based entirely on university-entrance-examination policies in that the universities decide on the material to be tested (meaning the books selected or even produced for this purpose), and thereby influence and simultaneously enable the whole functioning of the system: new content and skills are tested every year, and there are more applicants than available places. In Bourdieusian terms there is an emerging transformation of capital in preparatory-course participation, the aim being to transform economic capital into cultural capital (embodied form) in the form of training in the content predictably tested in the entrance examination. Preparatory-course providers predict what could be tested in the examination based on the annual material, and market this as expertise: if the exam modes do not change annually, experience in the system accumulates over time and predictions become more accurate.

*Of course we always get accustomed to what the test is. That means we need to be attuned to the times and respond to what the universities demand.* PC2

*I don't think that anyone would construct an entrance examination for which you could not train and prepare, even in an ideal situation. We are one step on this path and we feel we are doing a valuable job. We do it ethically, we are open ... We do student counselling, which I consider relevant. When they changed the entrance examination in medicine, someone from the university wrote in Helsingin Sanomat [a national newspaper] that the best thing to do would be to watch a one-hour video about it produced by a preparatory-course company.* PC3

The above comment also reveals the public-private co-operation in the system, as the preparatory-course companies also volunteer ‘to assist’ the student counsellors in public upper-secondary schools when they discuss the upcoming transition with the pupils. This is an interesting way of making the role of private

tutoring visible in the transition to HE. At the same time, the preparatory-course companies acknowledge that the universities do not officially support the market-based preparatory-course system:

SK: *I remember that on the phone you mentioned that not all parties really like this: would you like to elaborate a bit on that?*

PC1: *Well I don't know, what does it mean to like, but they think negatively for sure, the universities.*

SK: *Why do you think they think negatively?*

PC1: *I think, because it [the prep courses] un-equalizes.*

SK: *In what way?*

PC1: *Not everyone has the money to go on a preparatory course.*

SK: *Yeah, that that is the main-?*

PC1: *I think it is. Because it is chargeable, then it thereby un-equalizes, as some people can't afford it. As in Finland it is thought that studying is free of charge, therefore I think it comes from there.*

The relationship between the course providers and the universities is therefore ambivalent: the preparatory-course companies need the university entrance examination in order to function, but the universities do not officially support the tutoring for their own exams. Some of them, such as the University of Helsinki in 2011, have officially declared their stepping aside from the tutoring business, but others had not made an official statement as the time the interviews were conducted:

*We haven't taken a stand on this question [of preparatory courses]. The field there is pretty vast and fairly tricky as well so that the universities could somehow intervene. And then we are actually going towards restricting individuals' rights if we say that they [applicants] should or should not participate [in preparatory courses]. Or that we would somehow [intervene] in the activities of actors who are running a completely legal business. It is not illegal to organize such courses. UNIV3*

The state-level actors then raised the question of the public sector's relative powerlessness when it comes to the space for a preparatory-course market: they did not support the market, but were not able to do much to fulfil prevent its functions.

*In the Finnish system, the HEIs themselves decide upon their selection criteria. The selection is not based fully on grades achieved in secondary education, but there are a lot of entrance*

*examinations that test different things and there is a lot of material to learn. Hence the need for tutoring, and we have markets. And based on freedom of trade you are allowed to have them. ... As to what we think about this, I guess the general idea is that it would be better if we did not have these commercial preparatory courses, and that the public education system would take these people to the following stages of education. STA1*

From this perspective, it seems that the responsibility and power regarding the space for private markets in education, at this stage, mainly relate to the practices of the universities:

*The only thing that [has been] done was in 2001 when there was a letter to the universities [from the Ministry of Education] encouraging the universities and their staff to stay away from the tuition-based preparatory-course market and that their premises should not be used for that. It was a letter of recommendation. ... and both of our laws state that traditional universities and universities of applied sciences admit their students, and they decide how they do it. It is full autonomy, power, responsibility and freedom in that sense. The ministry does not have power over that. STA2*

The state-level interviewees also said that they were unable to do anything about the preparatory-course system, and could only give advice to the higher-education institutions about desirable conduct with regard to student selection. The power to influence the market seems to remain with the universities, as some critical voices representing the market pointed out:

*And I think the universities are burying their heads in the sand with regard to this phenomenon. They try to deny the existence [of the preparatory-course market] and kind of state ‘we have nothing to do with this, don’t come here’, and at the same time they know that these courses are organized in many popular disciplines and that it is a significant factor in access to HE. I see it as dislocating and externalizing the responsibility. PC5*

In practice, the actions the HEIs take to diminish the role of the preparatory-course companies are fairly weak. In most cases they relate to permission for incidental occupations, such that members of the university staff are not allowed to teach preparatory courses because they could be involved in creating and revising entrance examinations. Such a double bind would be unlikely, even if the same people were working on the examination material with private publishers, as one interviewee pointed out.

*I'm just thinking hard here, that I don't actually know if we have... I've assumed it's self-evident that those things should be clear to everybody, even according to the principle of legal incapacity. So I hope no-one thinks they could engage in private tutoring and simultaneously in university activities in which these [entrance examination] things are dealt with. Somehow I've naively thought that this was clear to everyone. UNIV3*

The preparatory-course market seemed to be the easiest target of blame as it was the clearest form privatisation (Ball & Youdell, 2008) in a system based on public education. The companies, in turn, raised the question of being targeted when it comes to discussions about privatisation, equity and economic capital. They pointed out two other embedded and related for-profit businesses in the field: book publishing and juridical services issuing complaints about entrance-examination results. Hence potential candidates for university admission might invest money in the preparatory courses, the examination materials and, in some fairly rare cases in legal assistance.

Representatives of various disciplines referred to book publishing as a big market, with little competition in some cases (tens of thousands of applicants each year in certain disciplines):

*The faculty [decides on and produces the material]. Previously it was, to my knowledge, an external source that published the books, as far as I know, or some other actor outside the university. Nowadays the [...] faculty produces them and makes pretty good money out of it every year. PC4*

When there are entrance examinations, something has to be tested. It is evident that the choice of test material influences the content of the preparation as well as the preparatory courses. It also creates a market in which the chosen books are sold. Some private profit is involved. The people involved in publishing material related to entrance examinations then stated that they had no connections to the decision-making bodies:

*I have no, no idea that how many people there [on the board deciding on the entrance-examination books] are, and who are they. I know the representative from this university but nothing else. And they decide. And my role in this, I'm only an author, so I have no bigger role in this. BP1*

The book authors and publishers also pointed out that writing entrance-examination material was not lucrative enough to make it worth doing per se:

*Of course, the sales are quite OK and you get something. But I don't believe that anyone would do that for the money, because you just would not live on that amount by writing a textbook. You have to have some other motivation to do it, to write the book, as you could get the same amount of money in many other ways and more easily. BP1*

*This is a very difficult issue, which I have had to think through when using my own books as course material. It's kind of funny, as it is not regulated at all. Permissions for incidental occupations are checked very closely, and who is teaching the courses ... but do I personally profit from the course, there is not a single instruction. ... And then we come to the requirement that the entrance examination material should be based on the best possible sources. ... And there is probably nothing illegal there, but let's say if the lads start publishing new editions of their books annually, then... UNIV1*

This was the case with some of the wide-ranging entrance-examination material used in some Finnish universities, but not in the majority. Some other actors in the field disagreed on the amount of private money that flowed into the pockets of book publishers and academics:

*The books for [a discipline], the package costs 230 euros, this was last year. Then those who write the books get the money as they tend to copy-paste things from their earlier work. Not many would write a new book for that purpose [for an entrance-examination textbook]. Some do, and to them I take off my hat. But there is a big cash flow to these people. There is interest among the faculties in going towards multiple-choice tests for these financial and facility reasons. And in keeping up this entrance-examination system, as it generates money for [some] professors. PC5*

In some disciplines, the examination material comes out or is edited every year. This is taken into account in certain disciplines, and the material is free of charge and available online:

*BP2: Thus far this has [worked out] well. And this is a cheap way of conducting the selection.*

*SK: So the authors get paid something?*

*BP2: ... that comes from the publishers' side, they make a small reimbursement, it's not that much ... but I always do a survey and I calculated that one third of the applicants actually paid for the book. Otherwise it is available online, so you can either print it or read it on the screen. One third: think about it, if there are nine thousand applicants, it means that [the publisher] sells three thousand books.*

The amounts of money circulating in the book-publishing industry may not be as big as they are in the preparatory-course market, but it is still a secondary source of private money flow in the admission process, and someone is making a financial profit. In any case, all applicants have to read the books even if they get a place without taking a preparatory course, and thereby the market of the books is certain and may be (when counting out the few books in libraries) as big as the number of candidates to each discipline each year (e.g. in year 2016 in economics 16 921 applicants, in law 6 119, educational sciences 12 005, and in political and social sciences 12 656; Vipunen, 2018).

The third controversial and even more closely hidden form of privatisation concerns the lawyers help in issuing complaints about the results of the entrance examinations. One of the interviewees representing the preparatory-course market commented on the fact after having been explicitly asked about a rumour that some lawyers were there waiting for the examination to end so they could hand out their business cards:

*I know people who have been doing these [complaints] for years and years, and the word spreads to that [applicants'] side then. They get the contact information from somewhere and then they make the complaint. And some make a lot of money out of it, it is, it is a pretty good business, and to some it is slightly problematic, as the work is not necessarily very well done, to a T ... so that the [faculties] have got a bit huffy about the fact that some people do these complaints on a conveyor belt. PC4*

Obviously, the complaints are a marginal phenomenon<sup>5</sup>, but in the most competitive disciplines something that especially the university staff were aware of. The key point concerning this analysis is that in the legal complaints there is a *de facto* spot for profit-making within the admission-process, and an area, where new actors emerge in the picture.

In sum, not only does the organization of university entrance examinations in Finland facilitate the functioning of a preparatory-course market, it also provides space for making money in book publishing as well as in juridical complaints. These two forms of private business within public education would probably be even harder to uproot as long as selection and examination provide the means.

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<sup>5</sup> Statistics of these complaints are not gathered nationally, and thereby the extent of this phenomenon is hard to define in detail. However, based on the interviews, it is known that certain lawyers specialize in these complaints and it is an extending area of legal business.

## **Conclusion: hidden privatisation in Finnish HE and the emerging economic inequalities**

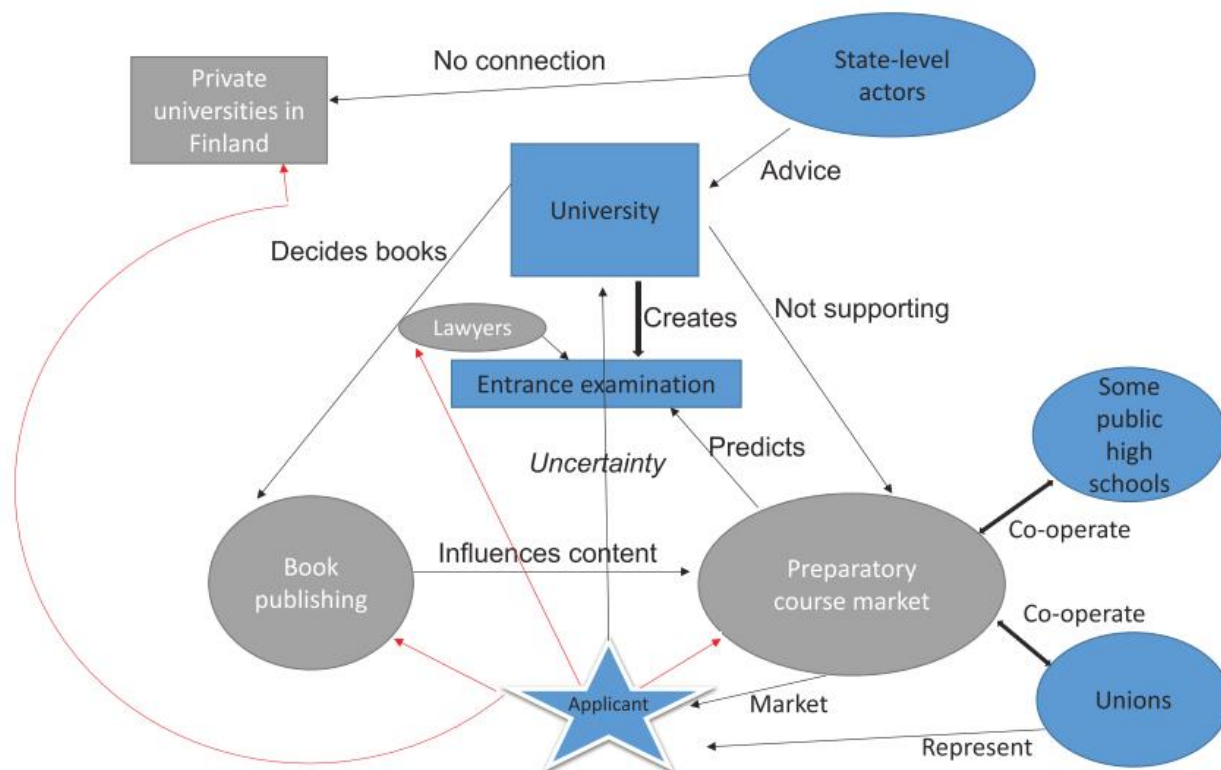
The research questions of this study were, who are the private actors and what are their relations in the field of university-admission, if the process of hidden privatisation is emerging in Finnish field of HE, and if so, how. As shown in the analysis, it seems that the hidden privatisation (Ball & Youdell, 2008) seems to emerge in the Finnish field of HE. Different private and for-profit actors are involved in the admission-process to universities (exogenous privatisation), and the discourse around access carries tones from corporate and consumerist world (endogenous privatisation). The results of this analysis show that there are several interconnected public and private actors in the field of access to higher education in Finland.

The landscape of choice (Bowe et al., 1994) in Finnish HE has thereby silently changed. The results indicate that from the perspective of the applicant there are eventually two main ways of accessing and playing in the field of HE in Finland (Bourdieu, 1984): the public way, often including forms of ‘shadow education’ (Smyth, 2009) and which the vast majority uses, and the private<sup>6</sup> way (in economics terms), which was not further elaborated in this analysis due to restrictions of space. Applicants on the public path may still spend money on entrance-examination books, spend time on studying for the exam and taking preparatory courses, and pay for the services of lawyers if they wish to complain of the results. These are all forms of privatisation *of* public education (Ball & Youdell, 2008) and should facilitate access to HE within the public system, which in turn shapes the space of competition given that not everyone can afford them. Public-private partnerships in public upper-secondary schools in which representatives of preparatory-course companies are invited to give talks, as well as economic co-operation between student unions and course companies, should also be recognised as forms of hidden privatisation, given that the legitimisation and naturalisation of private companies in public education could lead (or has led: see Kosunen & Haltia, *in press*) to endogenous privatisation. Neither all relations between the actors, nor even the ways in which the actors themselves enable the utilisation of private economic resources in the admission are necessarily acknowledged in the discourse. Figure 1 below summarises the main findings regarding the relations of actors and flows of economic capital.

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<sup>6</sup> Those on the private path to HE, skip the entrance examination and enrol in private universities operating in Finland. This development should be taken seriously, as indicated in the interviews, because nobody seems to be prepared for the changes this form of internationalisation and privatisation in the HE field will bring. Educational consumerism (Naidoo & Jamieson 2005) is evident when paying tuition fees becomes the norm. The only remaining option available to public universities and state-level actors is to emphasise the quality and value of degrees from Finnish public universities, which is all the more difficult as the accrediting of diplomas continues in accordance with the Bologna process. The value will only be assessed in the labour market (see Hirsch, 1976).





**Figure 1. Public actors (blue ellipses), public and private universities (squares) and private actors (grey ellipses); the black arrows indicate interactions, and the red arrows indicate the flow of economic capital from the applicant to private companies**

This development of privatising public education in its way contradicts the basic assumptions concerning the egalitarian nature of Finnish HE, which is officially tuition-free and strives towards equity in education. Just as in Greece (see Psacharopoulos & Papakonstantinou, 2005), hidden processes of privatising public education (Ball & Youdell, 2008) are shaping the functioning and logics of action in the field of Finnish HE, and especially university admission in the most competitive disciplines. However, the changes in one end of an education market always have an impact on the functioning of the whole market, and thereby hidden privatisation and its implications should be seriously considered as a part of the entire field of Finnish HE.

A larger question in terms of equity is the role of possession and utilisation of private economic capital in all this, and into which extent the hidden privatisation contributes to economic inequalities between candidates in the university admission. The privatisation *in* public education is echoing in the discourse, where the candidates become positioned as customers and educational consumers (see also Kosunen & Haltia, *in press*), which as such strengthens and reinforces the operation of the emerging the privatisation *of* education. This reflects the possibilities and impossibilities in terms of equity and social justice facing applicants aiming to

become students in universities, as many of the patterns presented here require access to economic capital. These changes in the field are straight and concretely linked to possession of economic capital (Bourdieu, 1984) and are producing a new kind of environment for competition, where the clandestine circulation of capital (Bourdieu, 1986) is relatively less important, as certain parts of success in the field are linked straightforward to economic resources. The new environment puts the candidates into unequal positions in a new way in the phase of preparing for the entrance examinations, and thereby it seems that the privatisation of public education is contributing to and reinforcing existing economic inequalities.

Misrecognition of the role of economic capital in the field (Bourdieu, 1984) and rather focusing solely on skills and knowledge (as cultural capital) brings embedded inequalities into the admission process. Success in the entrance examination is formulated as an individual enterprise of motivation, which as an explanation does not recognise the varying economic resources of applicants. The problematic nature of economic interference within a discourse, where merits and equity are emphasised due to the tuition-free form of tertiary education in Finland, comes from the hidden possibility of exclusion at the top. It is causally linked to exclusion at the bottom of the society (see Giddens, 1998, p. 104–105), which in this occasion shows in limited possibilities of competitively applying to the most competitive disciplines with minor economic resources (for more see Kosunen, Ahtiainen & Töyrylä, 2018). The boundaries between the public admission and private economic resources become blurred. However, in order to get a full picture of the emerging economic and social inequalities and the patterns of social reproduction in the most elitist disciplines, more research among candidates should be conducted.

Välimaa & Hoffman (2008) discuss how the issue of education as either a public or a private good is turned into the question of who benefits from it, and further into the question of who should pay for it. They also point out that this has become a relevant question in education politics outside the Anglo-Saxon world. (Välimaa & Hoffman, 2008), and seems to be true in the case of Finland. However, the difference in comparison with tuition-fee-based university systems is that the economic capital is most likely to be required silently *prior* to access. Given that there have not been any explicit tuition fees, private economic capital and profit making have not thus far been discussed thoroughly in the Finnish field of HE from an equity perspective, hence the inequalities in admission have remained hidden.

What became evident in the analysis is the vast power and autonomy of the universities in both producing and governing the process of selecting students by means of entrance examinations, which is the basis on which tuition-fee-based shadow education (Smyth, 2009) is organised. Abolishing the entrance examinations

and putting more focus on prior achievement, which has been emphasised in an ongoing admission-reform during 2016–2018, according to this analysis would not remove the emerging economic inequalities produced by private tutoring either, as the tutoring will just take place earlier already during secondary education. What is anyhow out of reach to public universities and governmental actors is the appearance of private and tuition-fee-based actors in their field. However, denying their existence in the market does not seem to be a good strategy either, given the options open to applicants in the Finnish landscape of HE choice.

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